

## Before The Public Utilities Commission of the State of California

Application of Southern California Edison Company (U-338-E) for Approval of Economic Development Rates. A.04-04-008 (Filed April 5, 2004)

Application of Pacific Gas and Electric Company to Modify the Experimental Economic Development Rate (Schedule ED) (U 39 E).

A.04-06-018 (Filed June 14, 2004)

Application of Southern California Gas Company (U 904 G) for Approval of a Long-Term Gas Transportation Agreement with Guardian Industries Corp.

A.05-10-010 (Filed October 7, 2005) (Discount Issues)

## NOTICE OF EX PARTE COMMUNICATIONS OF GUARDIAN INDUSTRIES CORP

Guardian Industries Corp submits this Notice in accordance with Rule 8.3 of the Commission's Rules of Practice and Procedure. The communication occurred on August 30, 2007 beginning at 1:00 PM and ending at 1:30 PM. The following persons met with Theresa Cho, advisor to Commissioner Grueneich.

Martin R. Bergman, Engineering Manager for Guardian Industries Corp, Kingsburg

The meeting took place on the 5<sup>th</sup> floor of the Commission's headquarters in San Francisco, California and lasted approximately 30 minutes. The communication was oral, no documents were presented.

The points made during the Public Comments of the CPUC meeting on August 23, 2007 by Mr. Tullman, Mr. Siada and Mr. Bergman were reiterated. It was stated that it was Guardian Industries Corp's (Guardian) understanding that the PD, as written, would have an impact on the Economic Development Rate contract Guardian has with Pacific Gas and Electric Co. for the Kingsburg plant and reduce the discount. Furthermore Guardian understands the APD, as written, would not have an impact on the Economic Development Rate contract Guardian has with Pacific Gas and Electric Co. for the Kingsburg plant.

Guardian evaluated several options and acted in good faith, with a short timeframe when it relied on the Commission's decision on EDR as a material factor in the decision to remain in California. The decision is a 15-year commitment. Guardian Industries Corp has now procured equipment and begun the early stages of construction in Kingsburg.

Energy is a major cost component in glass manufacturing. In the last 5 years two new competitors have entered the market on the West Coast, one near the boarder in Mexico that services the U.S. West Coast market and another in Washington State. Imports are also entering the West Coast market.

Guardian Industries Corp urges no changes be made to the original EDR decision, however if changes are made, no changes should be made to contracts that had already been executed based on the original decision.

Copies of this Notice can be obtained by calling or sending e-mail to Martin Bergman at (559) 896-6400 or <a href="mailto:mbergman@guardian.com">mbergman@guardian.com</a>

## Respectfully submitted

## /s/ Martin R. Bergman Martin R. Bergman

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